

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**RECEIVED  
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AUG 03 2007

Applicant:	Tariq Khalidi	)	
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Serial No.:	09/592,087	)	Art Unit: 3693
		)	Examiner: Jagdish Patel
Filed:	June 12, 2000	)	
		)	
For:	Automated Competitive Bidding	)	
	System and Process	)	
		)	

August 3, 2007  
Sacramento, California 95814Commissioner for Patents  
Mail Stop Amendment  
P.O. Box 1450  
Alexandria, VA 22313-1450**DECLARATION OF TARIQ KHALIDI**  
**UNDER 37 C.F.R. SECTION 1.132**

1. I am the inventor of this patent application. This declaration is respectfully submitted in reply to the office action mailed on February 9, 2007. I do not believe that the pending claims 5-7 are obvious over Wares (US 2001/0044768 A1) in view of Gindlesperger (U.S. 6,397,191 B1) for several reasons.

2. With respect to the Examiner's comment on page 2 of the office action, that Wares teaches a process for competitive bidding, I believe that Wares teaches a process of bidding, but not competitive bidding. Anyone can offer a bid to anyone else --it does not have to be competitive. Wares teaches an e-commerce bid and a project management system and method for the construction industry. The method of Wares (see abstract and Figs. 2 and 3) automates a conventional project management system, which, in the

construction industry, issues requests for bids by owners or architects to general contractors, who in turn request bids from subcontractors, who in turn request bids from suppliers and manufacturers.

3. Quite different from and in contrast to Wares, my invention as claimed is a method of automated competitive bidding. This method automates competitive bidding by extracting the best value for the acquisition without paying for non-value add items. This is not the case in the bidding system of Wares, which uses a general contractor, subcontractor, supplier, etc. in a sequence. My method is one of competitive bidding, as described in the abstract ("...packages, processes, connects, procures, bids and reports the competitive bidding cycle..."), Figs. 1B, 1C, and 2, and on pages 33-36. My method requires sequestering of the original acquisition into competitive and non-competitive packages. Such packages communicate directly to other tiers as a "mix-and-match." The competitive and non-competitive packages are reassembled upon completion of the competitive bidding cycle. For example, in Figure 2, Tier 0 (generally the owner or the owner's representative) requests and receives bids from Tiers 1, 2 and 3, but also requests and receives bids directly from Tier 4 for certain items that Tier 4 suppliers can bid competitively to Tier 0, bypassing Tiers 1, 2 and 3. Similarly, Tier 0 requests and receives bids directly from a Tier 5 supplier who can bid competitively to Tier 0.

4. With respect to the Examiner's comment on page 3 that the steps of "presenting the bid as well as any additive alternatives or deductive alternatives; reporting the bid in a plurality of formats; and transmitting the bid to a sequential buyer" are required and inherent in Wares, I believe this assertion is not correct. The method of Wares (the "general contractor an all inclusive bid...refer to bid information flow...") does not inherently include a method for competitive bidding. As stated above, my method is one of competitive bidding for goods and services by buyers and sellers at multiple tiers; it is not limited to the general contractor and subcontractors.

5. I believe that the Examiners conclusions on page 3 that "sequestering portions of an RFP into competitive module(s) for competitive bid and non-competitive module (s) for non-competitive bid is old and well known in the art of project management" and that "it would have been obvious to one of ordinary skill in the art to formulate the bid according to the foregoing process...." are unfounded. While those skilled in the art of project management may have thought it advantageous to be able to sequester portions of an RFP into competitive and non-competitive modules, such a process has never been developed due to the cumbersome and complex nature of project management and the many variables that exist. My invention is a method that implements this process in an automated fashion and results in tremendous cost-savings to those who use it.

I hereby state that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code.

Dated: August 2, 2007

  
Tariq Khalidi